CC TO JUDGE.

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VALVE CORPORATION, a Washington

SIERRA ENTERTAINMENT, INC. (AKA

SIERRA ON-LINE, INC.), a Delaware

02-CV-01683-DECL

Honorable Thomas S. Zilly Noted for Hearing September 24, 2003

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UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON BY __ AT SEATTLE

Plaintiff,

Defendant.

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No. C 02-1683Z

DECLARATION OF JASON HOLTMAN IN SUPPORT OF VALVE'S MOTION TO AMEND **COMPLAINT**

I have appeared as an attorney for Valve L.L.C. in the above-entitled action. I am over the age of eighteen years and I am competent to make this declaration. I make this declaration based on my own personal knowledge.

1. Valve has ascertained, through discovery and its own investigation, that Sierra's affiliates, Vivendi Universal Games, Inc. and Vivendi Universal, S.A. (collectively, "Vivendi Companies") have, directly or through their agents, distributed the Valve games which are the subject of the Software Publishing Agreement between Valve and Sierra. The Vivendi Companies appear to realize benefits flowing from this

HOLTMAN DECLARATION - 1

K:\36063\00014\KJB\KJB_P20HB

PRESTON GATES & ELLIS LLP 925 FOURTH AVENUE SHITE 2900 ATTLE, WASHINGTON 98104-1158 TELEPHONE (206) 623-7580 FACSIMILE: (206) 623-7022

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activity. Attached as Exhibit A is a true and correct copy of Jason Holtman's July 30, 2003 letter to Bob Carlson.

- Valve has previously requested that Sierra stipulate to adding such parties to the lawsuit.
- 3. Vivendi Universal Games, Inc. entered into two agreements with a Philippine corporation known as Asian Media Development Group ("AMDG") purporting to authorize AMDG to distribute and license Valve games and other Vivendi-distributed games to cyber cafés in the Philippines.
- 4. Valve discovered that the Vivendi Companies created and entered into various enduser license agreements ("EULAs") with cyber cafés in order to permit Valve Games to be played at cyber cafés. These license agreements are not authorized by the Valve.
- 5. Valve discovered that the Vivendi Companies had entered into at least one contract for Valve Games to be installed by an original equipment manufacturer (OEM).
- 6. Although requested to do so by Valve, Sierra and the Vivendi Companies have not cooperated with Valve in enforcing Valve's rights as required by the Agreement.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct:

EXECUTED this 15/1 day of September, 2003 at ______.

Jason P. Holtman

Preston|Gates|Ellis LLP

July 30, 2003

VIA FACSIMILE AND REGULAR MAIL

Mr. Robert J. Carlson Christensen, O'Connor, Johnson & Kindness PLLC 1420 Fifth Avenue Suite 2800 Seattle, WA 98101-2347

Re: Valve, LLC v. Sierra Entertainment, Inc.

Dear Bob:

As discovery and our communications regarding this case have progressed, it has become apparent that there are entities in addition to Sierra that are necessary parties to the litigation. There are several related entities that we note are implementing and responsible for the Software Publishing Agreement between Sierra and Valve, including providing Valve games to cybercafés.

Specifically, Vivendi, its subsidiaries, Vivendi Universal Games, Vivendi Universal Interactive, and Havas Interactive have all demonstrated involvement in the Agreement's implementation. Indeed, we note that in the course of this litigation you have provided us with documents that refer to these entities' implementation of the contract. See, e.g., SIERRA 000081-83, Vivendi Universal Interactive Publishing Authorized Cyber-Café License Agreement; SIERRA 000092-95, Havas Interactive Pay-for-Play Site License Agreement; SIERRA 000492-495, Vivendi Universal Games Authorized Cyber-Café License Agreement. As a result, we request you agree to stipulate to the joinder of the following entities in the above referenced litigation: Vivendi, Vivendi Universal Games, Vivendi Universal Interactive, and Havas Interactive.

I informed you of Valve's intent to add these additional parties during our telephone conversation of July 3. You told me that you would discuss our intent to do so with Eric Roeder once he returned from vacation on July 14. As this is a discrete and known issue to Vivendi, please provide a timely response. If you do not agree to stipulate, please explain your grounds for refusal in reply. Please call me if you have any questions.

Very truly yours,

PRESTON GATES & ELLIS LLP

Jason P. Holtman

JPH

cc: Valve

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FAX COVER SHEET

TO:

Mr. Robert J. Carlson

FAX NO:

(206) 224-0779

Mark Walters

COMPANY:

Christensen, O'Connor, Johnson

& Kindness PLLC

CONFIRMATION NO:

(206) 682-8100

FROM:

Jason P. Holtman

CLIENT-MATTER NO:

#36063-00014

DATE:

July 30, 2003

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COMMENTS

Please see attached.

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